



Our reference: 5/1/1/13

TO WHOM IT MAY CONCERN

Extract from the minutes of the Ordinary Council meeting held on 31 May 2019:

C62/05/2019

FINANCES: ANNUAL BUDGET FOR THE 2019/2020 TO 2021/2022 FINANCIAL YEARS
5/1/1/13 (B)/dp

RESOLVED BY COUNCIL

1. **THAT** the annual budget for the 2019/2020 MTREF for the different votes be approved and adopted as set out by the following tables attached as **ANNEXURE B**:
 - 1.1 Table A1 : Budget summary
 - 1.2 Table A2 : Budgeted financial performance
 - 1.3 Table A3 : Budget financial performance (municipal vote)
 - 1.4 Table A4 : Budget financial performance by revenue source and expenditure type
 - 1.5 Table A5 : Budgeted capital expenditure by vote
 - 1.6 Table A6 : Budgeted financial position
 - 1.7 Table A7 : Budgeted cash flows
 - 1.8 Table A8 : Cash backed reserves / accumulate surplus reconciliation
 - 1.9 Table A9 : Asset management
 - 1.10 Table A10 : Consolidated basic service delivery measurement
2. **THAT** in terms of Section 75A of the Local Government Municipal Systems Act, 32 of 2000, interest be recovered on amounts outstanding for periods longer than thirty (30) days on all debtor accounts at a rate equal to the prime bank overdraft rate from the bank as applicable to the bank account of the Council from time to time.
3. **THAT** in terms of Section 75A of the Local Government Municipal Systems Act, 32 of 2000 and Section 24 of the Local Government Municipal Property Rates Act (MPRA), 6 of 2004, approves and adopts with effect from 1 July 2019 that property tax be levied on the market value of all rateable properties subject to the allowed rebates, exemptions and reductions as follows:

3.1	Category	Rate Applicable	
3.1.1	Residential	0,0101	cent in the Rand
3.1.2	Residential : vacant, including government owned	0,0152	cent in the Rand
3.1.3	Illegal usage	0,0303	cent in the Rand
3.1.4	Business and commercial	0,0303	cent in the Rand
3.1.5	Business and commercial land owned by government	0,0126	cent in the Rand
3.1.6	Industrial	0,0232	cent in the Rand
3.1.7	Farms including agricultural small holdings not used for business commercial / industrial purposes	0,0015	cent in the Rand
3.1.8	Farms including agricultural small holdings used for eco-tourism / trading in or hunting of game	0,0015	cent in the Rand
3.1.9	Farms including agricultural small holdings used for business commercial / industrial purposes	0,0303	cent in the Rand
3.1.10	Mining	0,0253	cent in the Rand
3.1.11	Public benefits organisations	0,0026	cent in the Rand
3.1.12	Schools including government owned / school hostels	0,0126	cent in the Rand
3.1.13	Multiple used premises according to major use:		
	Residential	0,0101	cent in the Rand
	Commercial	0,0302	cent in the Rand
	Industrial	0,0232	cent in the Rand
	Mining	0,0253	cent in the Rand
3.1.14	Privately owned towns	0,0025	cent in the Rand
3.1.15	Privately owned roads / parks / sports grounds	0,0101	cent in the Rand
3.1.16	Pensioners rebate who qualify (residential only)		
	i) 100% rebate category	0,0000	cent in the Rand
	ii) 70% rebate category	0,0030	cent in the Rand
	iii) 50% rebate category	0,0051	cent in the Rand
	iv) 20% rebate category	0,0080	cent in the Rand

3.2 Rebates in recognition of Section 15(2) of Act 8 of 2004

- 3.2.1 That for all indigent households enlisted under the Council's indigent support and free basic services scheme property rates be fully discounted and the expenditure be recovered from the proportional equitable share payment to the Council by the South African National Treasury.
- 3.2.2 The following rebates be allowed on properties owned by pensioners, disability grantees and/or medically boarded based on their monthly income and which are categorized as residential subject to the conditions as stipulated in the property rates policy.

Qualifying applicants:

R0	to R 3 600,00	100% rebate on applicable tariff
R 3 600,01	to R 7 200,00	70% rebate on applicable tariff
R 7 200,01	to R10 800,00	50% rebate on applicable tariff
R10 800,01	to R14 400,00	20% rebate on applicable tariff

3.2.3 That a developers rebate of 0,0086 cent in the rand be allowed for all property where a single property becomes divided (through subdivision or township establishment) into ten (10) or more full title units and all services, inclusive of water, sewerage, electricity and roads are installed by the developer at his own cost for a period of two (2) years from the date of registration of the subdivision or the proclamation of the township or for a shorter period until the newly created units are sold off or improved before expiry of the two (2) years period.

3.2.4 That the following rebates may be allowed for business property developments subject to the conditions as stipulated in the property rates policy.

For properties with a municipal valuation between R2-million to R5-million:

in the first year a rebate of 100%
in the second year a rebate of 75%
in the third year a rebate of 50%; and
in the fourth year the full property tax will be payable

For properties with a municipal valuation that exceed is R5-million:

in the first year a rebate of 100%
in the second year a rebate of 100%
in the third year a rebate of 50%; and
in the fourth year the full property tax will be payable

3.2.5 That a rebate of 0,0035 cent in the Rand be allowed for special industry.

3.3 A phasing-in discount granted in terms of Section 21 of MPRA, Act 6 of 2004

3.3.1 That property rates on all newly rated property that had not previously been assessed and rated according to any valuation roll or supplementary valuation roll that applied to any area of the municipality in terms of previous legislation be phased in as follows:

- in the first financial year a rebate of 75%;
- in the second financial year a rebate of 50% of the rate;
- in the third financial year a rebate of 25% of the rate; and
- in the fourth financial year the full property tax will be payable without any rebate.

3.4 Exemptions from payment of a rate levied

3.4.1 That in terms of Section 15(1)(a) of the MPRA, Act 6 of 2004 the following categories be exempted from payment of a rate levied on their property:



- 3.4.1.1 rateable property registered in the name of a welfare organization registered in terms of the National Welfare Act, Act 100 of 1978.
- 3.4.1.2 rateable property owned by public benefits organizations and used for any specific public benefit activity as listed in item 1,2 and 4 of part 1 of the ninth schedule to the Income Tax Act.
- 3.4.1.3 museums, art galleries, libraries and botanical gardens which are registered in the names of private persons and which are open to public, whether admission is charged or not as listed in Section 6(a) and (b) of the ninth schedule to the Income Tax Act.
- 3.4.1.4 national monuments including ancillary business activities at national monuments as listed in Section 6(a) and (b) of the ninth schedule to the Income Tax Act.
- 3.4.1.5 rateable property registered in the name of a trustee or trustees or any organization which is being maintained for the welfare of war veterans as defined in Section 1 of the Social Aid Act (House of Assembly), Act 37 of 1989 and their families.
- 3.4.1.6 sport grounds used for the purposes of amateur sport and any social activities which are connected with such sport.
- 3.4.1.7 rateable property registered in the name of the Boy Scouts, Girl Guides, Sea Scouts, Voortrekkers or any organization which is in the opinion of the municipality similar or any rateable property let by the municipality to any such organization.
- 3.4.1.8 rateable property registered in the name of a declared institution in terms of Cultural Institutions Act, Act 119 of 1998 as amended, promoting the cultural aims as defined in section 6(a) and (b) of the ninth schedule of the Income Tax Act.
- 3.4.1.9 properties in the "*municipal*" category unless a lease or sale agreement for such a property, or part thereof, exist.
- 3.4.1.10 on mineral rights within the meaning of paragraph (b) under "property" as per Section 1 of MPRA, Act 6 of 2004.
- 3.4.1.11 on a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten (10) years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds.
- 3.4.1.12 on the first R15 000,00 of the market value of the property assigned in the valuation roll of a municipality to a category determined by the municipality:
 - (i) for residential purposes including second dwellings and duets not subject to a sectional title scheme; or
 - (ii) for properties used for multiple purposes, provided one or more components of the property and which forms the major part of the property, are used for residential purposes.

3.4.1.13 on a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.

3.4.1.14 on the first 30% of the market value of public service infrastructure.

3.4.1.15 on those parts of a special nature reserve, national park or national reserve with meaning of protected areas act, or a national botanical garden within the meaning of National Management Biodiversity Act, 2004 which are not developed or used for commercial business, or residential agricultural purposes.

3.5 That all property rates as per paragraphs 3.1.1 to 3.1.23 above be subjected to Value Added Tax at a zero rate.

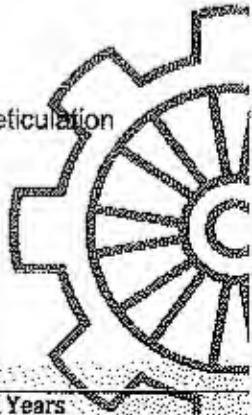
4. THAT the fees for drainage and sewerage as published under Notice 2/1985 in the Provincial Gazette on 31 July 1985, as amended and in terms of the stipulations of Section 75A of the Local Government Municipal Systems Act, 32 of 2000, be approved and adopted with effect from 1 July 2019 as follows:

4.1 That the departmental levy on sewerage be determined at R4,40 per kilolitre of measured sewerage water effluent.

4.2 That all levies for drainage and sewerage as per paragraph 4.3 below be subjected to Value Added Tax at full rate.

4.3 *To have the present tariffs replaced by the following structure:*

4.3.1 Monthly levy for developed residential erven	
(a) with a total area of up to 995m ²	R109,63
(b) with a total area exceeding 995m ² up to 1500m ²	R242,60
(c) with a total area exceeding 1500m ²	R321,45
4.3.2 Monthly levy on flats	
Per residential unit	R161,53
2 nd dwelling (single property)	R111,85
4.3.3 Monthly levy on all church erven	R321,55
4.3.4 Business and Industries	
R9,14 per kilolitre metered pure water consumption per month	
4.3.5 All undeveloped erven in private possession with access to the reticulation	
An availability levy of R65,00 per erf per month	



4.3.6 Agricultural societies and sport clubs not accommodated at the central sports grounds

R7,80 per kilolitre of metered purified water consumption per month

4.3.7 Military bases, road camps and other similar properties

R9,14 per kilolitre of metered purified water consumption per month

4.3.8 Industries and businesses where a great extent of the water consumption as determined by Council is taken up in the final product per kilolitre of the metered purified water consumption per month:

0 - 2000 kiloliters	R3,74 per kl
2000 - 5000 kiloliters	R2,21 per kl
Above 5000 kiloliters	R1,11 per kl

4.3.9 Hospitals, nursing homes under welfare care, schools and school hostels, nursery schools and day schools

Monthly levies as follows:

(a) Hospitals

R321,50 for each three (3) beds or portion, continuously available and R321,50 for each ten (10) personnel or portion, residential or not.

(b) Schools and school hostels (including nursery and day schools)

R92,81 for each twenty (25) persons or portion thereof.

(c) Nursing and maternity homes and welfare organizations

As described by the National Welfare Act, 1978, and institutions controlled by welfare organizations.

R151,30 for each ten (10) persons or portion thereof

4.3.10 Vergeet-My-Nie / Rivier Park flats

R75,00 per flat per month

4.3.11 Formalized informal housing settlements with access to biological toilets per stand (unproclaimed township)

R54,45 per month

4.3.12 Proclaimed rural townships / villages with biological toilets per stand

R54,45 per month

4.4 That for all indigent consumers enlisted under the Council's indigent support and free basic services scheme with the inclusion of all dwellings in the formalized informal housing settlements, no fees be paid by the consumer and the levy in this be recovered from the proportional equitable share payable to Council by the South African National Treasury.

4.5 For all pensioners who applied and were approved for a rebate on assessment rates based on their monthly income, the same rebate be allowed on their respective residential sewerage tariffs, except Vergeet-My-Nie / Rivier Park flats:

4.5.1 Pensioners who qualify (residential)

R0	to R 3 600,00	100% rebate on applicable tariff
R 3 600,01	to R 7 200,00	70% rebate on applicable tariff
R 7 200,01	to R10 800,00	50% rebate on applicable tariff
R10 800,01	to R14 400,00	20% rebate on applicable tariff

5. THAT the fees for the removal of solid waste (refuse), whether the service is delivered or not, as published under Notice No. 3/1985 in the provincial gazette of 31 July 1985, as amended and in terms of the stipulations of Section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, approves and adopts with effect from 1 July 2019 as follows:

5.1 That the fees for the removal of solid waste as per paragraphs 5.2 to 5.4 and 5.6 to 5.8 below be subjected to Value Added Tax at the standard rate.

5.2 Tariff of charges

5.2.1 Section 1(1) occasional service

For a daily service per day per refuse bin R66,50

5.2.2 Housing refuse

Even up to 995m² and even exceeding 995m²

by substitution under item 1(1):

the amount of R131,80 with R142,00 and R188,35 with R203,23

5.2.3 Flats

by substitution under item 1(2)(b)(i):

the amount of R169,15 with R182,50

5.2.4 Businesses: 1,1m³ mass container

up to three (3) times per week by inclusion under item 1(2)(b)(iii) the amount of R2 317,00 with R2 500,00

up to six (6) times per week by inclusion under item 1(2)(b)(iv) the amount of R4 616,00 with R4 980,70

5.2.5 Businesses: Skip 6m³

up to once per week the new amount of R9 029,50

up to three (3) times per week the new amount of R18 073,00

5.2.6 Second dwelling

by substitution under item 1(2)(b)(vii):

the amount of R126,41 with R138,40



5.2.7 Businesses: Bins 85ℓ

by substitution under item 1(3)(a):
the amount of R454,70 with R490,65

5.2.8 Businesses: 1,75m³ mass containers

by substitution under item 1(3)(b):
the amount of R5 910,00 with R6 376,90

5.2.9 Businesses: 240ℓ bins

up to three (3) times per week
by substitution under item 1(3)(c):
the amount of R844,30 with R911,00

up to six (6) times per week
by substitution under item 1(3)(d):
the amount of R1 689,00 with R1 822,45

5.3 That the tariff for removal of solid waste (refuse) from the Vergeet-My-Nie / Rivier Park flats be increased from R64,15 per flat to R69,20 per flat per month.

5.4 That formalized informal housing settlements (unproclaimed townships) under 1(2)(b)(v) by substitution R66,10 per stand per month with R71,30 per stand per month.

5.5 That a new communal use tariff of R71,30 per month be introduced where refuse is removed at a communal point.

5.6 That the departmental levy for removal of solid waste (refuse) be amended as follows:

per refuse bin	R 159,20
per mass container	R2 616,60

5.7 That proclaimed rural villages under 1(2)(b)(v) by substitution R66,10 per stand per month with R71,30 per stand per month.

5.8 That the static compactor levy for removal of refuse be introduced as follows:

up to 15m ³ per month	R11 320,00
up to 11m ³ per month	R 9 056,00
up to 10m ³ per month	R 8 302,00

5.9 That additional static compactor removals more than four (4) times per month be introduced as follows:

up to 15m ³ per month per removal	R2 829,15
up to 11m ³ per month per removal	R2 263,75
up to 10m ³ per month per removal	R2 075,00

5.10 That for all indigent consumers enlisted under the Council's indigent support and free basic services scheme of all dwellings in the formalized informal housing settlement no fees be paid by the consumer and the levy in full be recovered from the proportional equitable share payable to Council by the South African National Treasury.



5.11 That for all pensioners who applied and were approved for a rebate on assessment rates based on their monthly income, the same rebate be allowed on their respective refuse levies, except for Vergeet-My-Nie and Rivier Park flats:

5.11.1 Pensioners who qualify (residential)

monthly income

R0	to R 3 600,00	100% rebate on applicable tariff
R 3 600,01 to R 7 200,00		70% rebate on applicable tariff
R 7 200,01 to R10 800,00		50% rebate on applicable tariff
R10 800,01 to R14 400,00		20% rebate on applicable tariff

6. THAT the fees for water supply as published under Notice Number 31/1986 in the Provincial Gazette of 10 September 1986, as amended and in terms of Section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, approves and adopts with effect from 1 July 2019 as follows:

6.1 That the fees for water supply as per paragraphs 6.2.1 to 6.2.6 and 6.2.7 below be subjected to Value Added Tax at standard rate.

6.2 By replacing the present tariffs by the following tariff structure:

6.2.1 All residential, single flats, church sites and residential units in group housing complexes:

(a) Where working meters were installed for metered purified water consumptions per month:

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 9,79 per kl
Above ten (10) to forty (40) kiloliters	R13,20 per kl
Above forty (40) kiloliters	R14,04 per kl

(b) Erven without working water meters which are developed and occupied:

A monthly fixed levy of R101,46 per erf per month

(c) Water leak adjustment tariff R9,79

6.2.2 All undeveloped erven with access to the reticulation network

An availability levy of R57,50 per month

6.2.3 All businesses and industries, school and school hostel sites (including nursery schools and day schools)

All monthly metered consumption of purified water at R10,43 per kilolitre.

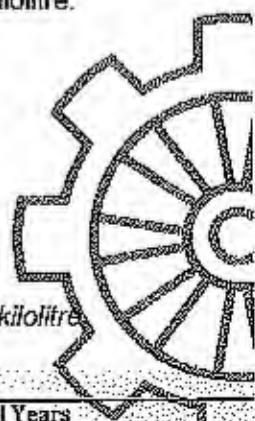
6.2.4 Supply of raw water in all cases

Per metered monthly consumption at R9,97 per kilolitre

6.2.5 Purified water outside Council's distribution areas

According to monthly metered consumption at R14,22 per kilolitre

6.2.6 That the levy for purified effluent be determined at R2,79 cent per kilolitre



6.2.7 Water restriction tariffs

Level 1 restriction (water source below 60%)

(a) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 9,79 per kl
Above ten (10) to forty (40) kiloliters	R17,15 per kl
Above forty (40) kiloliters	R18,25 per kl

(b) Business and industries, school and school hostel sites (including schools and day schools)

All monthly metered consumption of purified water at R13,56 per kilolitre

Level 2 restriction (water source below 40%)

(a) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 9,79 per kl
Above ten (10) to forty (40) kiloliters	R21,12 per kl
Above forty (40) kiloliters	R22,46 per kl

(b) Business and industries, school and school hostel sites (including schools and day schools)

All monthly metered consumption of purified water at R16,68 per kilolitre

Level 3 restriction (water source below 20%)

(a) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 9,79 per kl
Above ten (10) to forty (40) kiloliters	R26,38 per kl
Above forty (40) kiloliters	R28,07 per kl

(b) Business and industries, school and school hostel sites (including schools and day schools)

All monthly metered consumption of purified water at R20,85 per kilolitre

6.2.8 That the departmental levy for purified water be determined at R3,93 per kilolitre

6.3 *That for all indigent residential households enlisted under the Council's indigent support and free basic services scheme an additional four (4) kiloliters besides the first six (6) kiloliters of monthly consumption to a total of 10 kiloliters of monthly consumption be supplied free of charge and the total cost of the consumption between six (6) and up to ten (10) kiloliters be recovered from the proportional equitable share payable to Council by the South African National Treasury.*

7. THAT the electricity tariffs for the 2019/2020 financial year be approved in that the Determination of Fees for the Supply of Electricity, promulgated under Notice No. 38 of the Provincial Gazette of 26 January 1996, in terms of the stipulations of Section 75A of the Local Government Municipal Systems Act, of 2000, approves and adopts with effect from 1 July 2019 as follows:

7.1 That the fees levied for electricity as per paragraphs 7.1.1 to 7.1.9 and paragraphs 7.1.11 to 7.1.14 below be subjected to Value Added Tax at the standard rate.

ELECTRICITY

7.1.1 Domestic residential indigent consumers

These tariffs are applicable to all residential indigent consumers with an ampere capacity limited to 20A per phase.

		Average (6,84%)	Average (12,0%)
		PRESENT 2018/2019	PROPOSED 2019/2020
		c/kWh	c/kWh
(i)	Energy charge (kWh)	0,00	0,00
(ii)	Block 1 – 50 kWh	91,44	100,04
(iii)	Block 51 – 350 kWh	119,76	131,03

Free basic electricity to a maximum of 50 kWh per month applies to registered indigent consumers.

Where more than 350 kWh is consumed during a month, the same tariff will be applied as for other domestic residential consumers.

7.1.2 Domestic residential consumers

These tariffs are available to all residential consumers with a single or three phase connection with an ampere capacity of up to 80A per phase. This tariff consists out of a fixed and energy charge. The tariff is based on the inclining block principle, that is, the more units used, the higher the rate becomes.

		PRESENT 2018/2019	PROPOSED 2019/2020
		R	R
	A fixed charge whether electricity is consumed or not, per month or part thereof per point of supply. The amount is charged once per month.		
(i)	Single phase	63,00	71,20
(ii)	Three phase	85,00	96,10
		c/kWh	c/kWh
	Energy charge		
(i)	Block 1 – 50 kWh	94,13	102,89
(ii)	Block 51 – 350 kWh	129,59	139,80
(iii)	Block 351 – 600 kWh	160,16	167,09
(iv)	Block > 600 kWh	180,28	203,84

7.1.3 Domestic residential consumers (lifeline)

This is a new tariff structure and is available to all residential consumers with a single or three phase connection with an ampere capacity of up to 40A per phase with no fixed charge. This tariff consists only out of an energy charge and will suite low to medium consumption residential consumers. The tariff is based on the inclining principle, that is, the more units used, the higher the rate becomes.

		PRESENT 2018/2019	PROPOSED 2019/2020
		c/kWh	c/kWh
(v) Block	1 – 50 kWh	104,56	114,40
(vi) Block	51 – 350 kWh	144,25	157,82
(vii) Block	351 – 600 kWh	163,91	185,33
(viii) Block	> 600 kWh	181,86	205,63

7.1.4 Business, industrial & general consumers

These tariffs are applicable to all business, industrial and general consumers with a single and/or three phase connection with a capacity of up to 80A per phase.

	PRESENT 2018/2019	PROPOSED 2019/2020
	R	R
A capacity charge whether electricity is consumed or not, per ampere of supply capacity, per month, per point of supply or part thereof		
(i) Single phase	17,58	19,88
(ii) Three phase	5278	59,68
	c/kWh	c/kWh
Energy charge	114,20	129,13

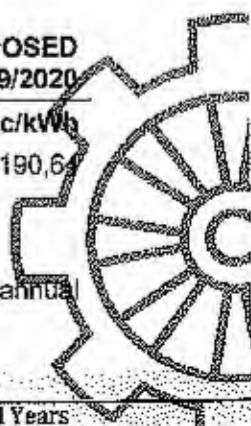
7.1.5 Business lifeline consumers

These tariffs are applicable to all business lifeline consumers with a single phase connection with a capacity of up to 40A per phase. This tariff has no capacity charge.

	PRESENT 2018/2019	PROPOSED 2019/2020
	c/kWh	c/kWh
Energy charge kWh	168,60	190,61

7.1.6 Bulk consumers - low voltage three phase demand scale (Time of Use)

These tariffs are applicable to all bulk consumers metered at low voltage with an annual average metered load with a capacity higher than 80A per phase.

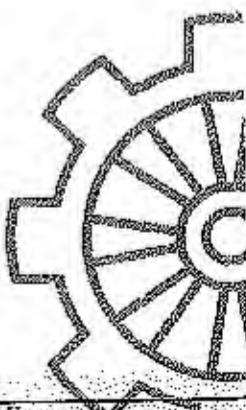


	PRESENT 2018/2019	PROPOSED 2019/2020
A fixed charge, whether electricity is consumed or not per point of supply (meter point)	2 048,00	2 315,67
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	49,07	55,48
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	25,78	29,15
	c/kWh	c/kWh
An active energy charge for all kWh consumers (kWh)		
(iii) High demand season (June, July, August)		
• Peak	371,59	420,16
• Standard	142,15	160,73
• Off-peak	75,97	85,90
(iv) Low demand season (September to May)		
• Peak	156,56	177,02
• Standard	96,05	108,57
• Off-peak	67,19	75,97
Reactive energy charge (kVA)		
High demand season (June – August)	23,50	26,57

7.1.7 Bulk consumers – 11 000 Volt three phase demand scale (Time of Use)

These tariffs are applicable to all bulk consumers metered at medium voltage where electricity is supplied at 11 000 V.

	PRESENT 2018/2019	PROPOSED 2019/2020
A fixed charge whether electricity is consumed or not, per point of supply (meter point)	3 417,00	3 863,60
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	46,76	52,87
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on weekdays and Saturdays	24,60	27,82



	c/kWh	c/kWh
An active energy charge for all consumers (kWh)		
(v) High demand season (June, July, August)		
▪ Peak	331,58	374,92
▪ Standard	132,37	149,67
▪ Off-peak	70,82	80,08
(vi) Low demand season (September to May)		
▪ Peak	146,15	165,25
▪ Standard	90,19	101,99
▪ Off-peak	62,72	70,92
Reactive energy charge (kVA)		
High demand season (June – August)	22,40	25,33

7.1.8 Other bulk consumers

This tariff is only available to specific consumers as approved by Council resolution due to special circumstances. The following charges will be payable:

kWh peak	-	equal to Eskom megaflex tariff structure plus 10%
kWh standard	-	equal to Eskom megaflex tariff structure plus 10%
kWh off-peak	-	equal to Eskom megaflex tariff structure plus 3%
kVA r.h.	-	equal to Eskom megaflex tariff structure

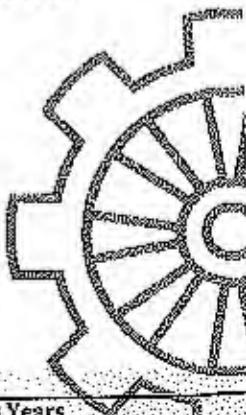
7.1.9 Street light and traffic light consumption

	PRESENT 2018/2019	PROPOSED 2019/2020
	c/kWh	c/kWh
Energy charge kWh	160,45	181,42
Illuminated advertisement signs	100,15	113,24

7.1.10 Departmental levies & sport clubs

This tariff is applicable to all municipal buildings, levies and sport clubs. Where time of use meters are installed the applicable tariffs as per the time of use categories as determined will apply.

	PRESENT 2018/2019	PROPOSED 2019/2020
	c/kWh	c/kWh
Energy charge kWh	160,45	181,42



7.1.11 Other charges

This tariff is applicable to all undeveloped erven with access to the reticulation network.

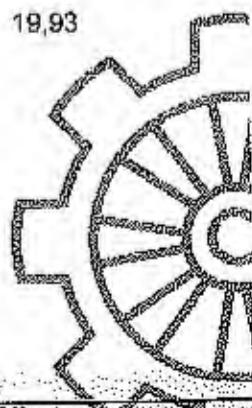
	PRESENT 2018/2019	PROPOSED 2019/2020
	R	R
A fixed charge per month or part thereof	120,75	136,53

7.1.12 Schools & welfare organizations - low voltage three phase demand scale (Time of Use)

This is a new tariff structure and applicable to schools and welfare organizations metered at low voltage with an annual average metered load with a capacity higher than 80A per phase.

Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure.

	PRESENT 2018/2019	PROPOSED 2019/2020
	R	R
A fixed charge, whether electricity is consumed or not per point of supply (meter point)	1 535,44	1 736,12
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	36,82	41,63
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	19,38	21,91
	c/kWh	c/kWh
An active energy charge for all kWh consumers (kWh)		
(i) High demand season (June, July, August)		
▪ Peak	278,67	315,09
▪ Standard	106,54	120,46
▪ Off-peak	57,00	64,45
(ii) Low demand season (September to May)		
▪ Peak	117,43	132,78
▪ Standard	72,00	81,41
▪ Off-peak	50,38	56,96
Reactive energy charge (kVA)		
High demand season (June – August)	17,63	19,93



7.1.13 **Schools & welfare organizations – 11 000 Volt three phase demand scale (Time of Use)**

This is a new tariff structure and applicable to schools and welfare organizations metered at medium voltage where electricity is supplied at 11 000 V.

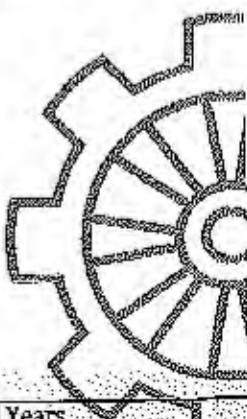
Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure.

	PRESENT 2018/2019	PROPOSED 2019/2020
	R	R
A fixed charge whether electricity is consumed or not, per point of supply (meter point)	2 597,00	2 936,43
	c/kWh	c/kWh
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	35,53	40,17
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on weekdays and Saturdays	18,69	21,13
An active energy charge for all consumers (kWh)		
(i) High demand season (June, July, August)		
• Peak	252,00	284,94
• Standard	100,62	113,77
• Off-peak	53,81	60,84
(ii) Low demand season (September to May)		
• Peak	111,07	125,59
• Standard	68,13	77,03
• Off-peak	47,66	53,89
Reactive energy charge (kVA)		
High demand season (June – August)	16,52	18,68

7.1.14 **Schools & welfare organizations**

This is a new tariff structure and applicable to all schools and welfare organizations with a single and/or three phase connection with a capacity of up to 80A per phase.

Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure. This tariff has no capacity charge.



	PRESENT 2018/2019	PROPOSED 2019/2020
	c/kWh	c/kWh
Energy charge kWh	126,95	143,54

Note:

For the purpose of time of use tariffs the defined daily time of use period throughout the year are:

Peak hours:

(ix) Weekdays	07:01 – 10:00 18:01 – 20:00
(x) Saturdays	None
(xi) Sundays	None

Standard hours:

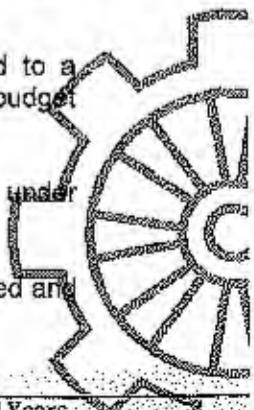
(xii) Weekdays	06:01 – 07:00 10:01 – 18:00
(xiii) Saturdays	07:01 – 12:00 18:01 – 20:00
(xiv) Sundays	None

Off-peak hours:

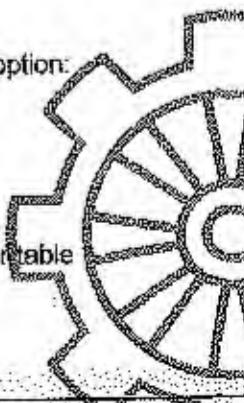
(xv) Weekdays	22:01 – 06:00
(xvi) Saturdays	12:01 – 18:00 20:01 – 07:00
(xvii) Sundays	00:00 – 24:00

The Director: Electrical Engineering Services may impose a specific minimum load requirement for qualification for time of use tariff scales.

8. THAT in terms of Section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, the adjusted sundry tariffs, Value Added Tax inclusive, as reflected in the comments of the various heads of departments under schedule 2 be approved and adopted for implementation with effect from 1 July 2019.
9. THAT a rate of R160,00 per day be approved for temporary workers limited to a maximum of three (3) months, unless otherwise specified in the personnel budget and/or human resources policies.
10. THAT the new personnel posts and the abolishment of posts as reflected under schedule 3 be approved to be implemented with effect from 1 July 2019.
11. THAT the following budget-related policies both new and as amended be approved and adopted for implementation from 1 July 2019:



- 11.1 Budget Policy.
- 11.2 Budget Virement Policy.
- 11.3 Contractors Development Policy.
- 11.4 Credit Control and Debt Collection Policy.
- 11.5 Free Basic Services and Indigent Policy.
- 11.6 Property Rates Policy.
- 11.7 Supply Chain Management Policy – infrastructure procurement and delivery management.
- 11.8 Tariff Policy.
- 11.9 Travelling and Subsistence Policy.
12. THAT the following unchanged budget-related policies be noted and be approved and adopted for implementation from 1 July 2019:
 - 12.1 Asset Management Policy.
 - 12.2 Blacklisting Policy.
 - 12.3 Borrowing Policy.
 - 12.4 Cost Containment Policy.
 - 12.5 Funding & Reserves Policy.
 - 12.6 Investment of Surplus Funds Policy.
 - 12.7 Methodology for the impairment and assessment of useful lives of assets policy.
 - 12.8 Methodology – Classification and Treatment of Land Policy.
 - 12.9 Pay Day Policy.
 - 12.10 Petty cash Policy.
 - 12.11 Short Term Risks and Liabilities Policy.
 - 12.12 Unclaimed Monies Policy.
 - 12.13 Write-off of Debtor's Policy.
13. THAT the following by-laws be approved by Council for Public Participation and Adoption:
 - 13.1 Tariff By-Law
 - 13.2 Property Rates By-Law
14. THAT the measurable performance objectives for revenue from each source as pertable A4 be approved and adopted for the 2019/2020 budget year.



15. THAT permission be granted to the Executive Director: Financial Services to submit the annual budget in both printed and electronic formats to National and Provincial Treasury.
16. THAT permission be granted to the Executive Director: Financial Services to place the annual budget on the municipal website within five (5) working days from approval.
17. THAT permission be granted to the Executive Director: Financial Services to make the annual budget and supporting documentation with Council Resolution public in terms of Section 21(A) of the Municipal Systems Act, 32 of 2000 within ten (10) working days after Council approval.
18. THAT it be noted that the implementation of the electricity tariffs is subject to NERSA approval.
19. THAT R6.7 Million will be included in the budget to rectify the outstanding matters in Newtown.

CERTIFIED A TRUE EXTRACT

Yours faithfully



MUNICIPAL MANAGER
B KHENISA
07 JUNE 2019

